

## Linking High-Quality Charter Schools to Areas of Need

### Slides 1 and 2

KELLY: Welcome, everyone. My name is Kelly Sparks. I am the director of the National Charter School Resource Center, and for those of you who are not familiar with our center, we are a federally funded national center, and our mission is to promote effective practices, provide technical assistance, and disseminate resources critical to ensuring high-quality public charter schools. So we thank you very much for joining us for our topic today, *Linking High-Quality Charter Schools to Areas of Need*.

Just a few housekeeping rules before we get started. We do like to try to keep the lines open in case people want to ask questions, so can you please mute your phones on your end so we can cut out any of the background noise? We will pause throughout the presentation for all the participants to ask questions, and you can do that by either:

- Raising your hand, which, if you look in the lower-left-hand part of your screen, there's a little guy in blue. You just click on that, you can raise your hand and I will call on you to ask your question.
- Or you can feel free to just put it in the chat box as well, and then I will pass it on to our presenters as we move on.

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We have two people we've invited today to talk through this topic for us:

- Jose Cerda is the vice president of public policy and communication at IFF. He oversees IFF public policy research, development, and advocacy on issues that impact its business and nonprofit clients as well as communications. He's been a public policy professional for 20 years, serving as an advisor to two of America's most innovative and successful government executives, and that would be Mayor Richard M. Daley of Chicago and former President Bill Clinton. He's also served as an aide in both the U.S. Senate and the House of

Representatives and is an editor for *Blueprint*, which is the Democratic Leadership Council's journal of policy and politics.

- We're also pleased to have Greg Richmond with us as well. Greg is NACSA's president and CEO. He was a founding board member of NACSA, serving as the chair of the board from 2000 to 2005, and then in 2005 Greg became NACSA's full time president, where under his full-time leadership NACSA's national influence expanded substantially, putting a significant role in the reopening of New Orleans schools as charter schools, in-depth training of California Department of Education staff, and multiauthorizer training and development of a project in New York City and multiyear projects in Florida and Ohio.

#### Slide 4

We're very happy to have both of them here. We're going to be having Jose talk through IFF's methodology to identify communities in which students do not have the opportunity to attend high-performing schools, and he's going to highlight findings from a few of the studies that IFF has done. And then we're going to pause for questions after that, and then we'll move on to Greg so he can talk a little bit about how IFF methodology can be used by authorizers as well. Then we'll make sure we leave plenty of time at the end for follow-up questions and conversations as well. So with that, I'm going to pass it over to you, Jose.

#### Slides 5 and 6

JOSE: Thank you. Good afternoon, or good morning to people on the west coast, and thanks for having me here today. This is my first time with this technology, so I will do my best; bear with me if it takes a couple of slides.

#### Slide 7

I want to talk over the next 15 or 20 minutes or so about our performing school studies- how they came to be, why we do them, and how they might be helpful to all of you.

## Slide 8

I'm going to talk about three of the five studies that we've done over the past two years- Chicago, St. Louis, Milwaukee- and before I make some observations, conclude and talk about the data and its potential uses. As a footnote, we also did a study on Denver, which I'm not going to talk about today, other than a quick mention. It's available on our website as well as NACSA's, who sponsored the study. And we're putting the finishing touches on a study in Kansas City, Missouri, which will be available next month.

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Before I get started, I just want to give you a little background on our organization if you are not familiar with IFF. We're a nonprofit community development financial institution, or CDFI, which means we're certified by the Treasury Department as a low-income lender. We were founded in 1988. Our mission is to strengthen the nonprofits and communities through affordable financing, real estate consulting, public policy, and, of course, research. Our signature product is affordable, flexible mortgages for nonprofit facilities, such as charter schools, but we also do child care centers, health clinics, affordable housing, and more. We serve five Midwestern states and have assets of more than \$175 million and have leveraged about \$850 million in capital investment in low-income communities.

## Slide 10

We are not just a nonprofit lender, though. We do real estate consulting- everything from brainstorming projects to completing them- and public policy and research. Really, our real strength and our value add is when we do all of these things together, when we combine them, when we bring capital, technical skills, research knowledge, and public policy engagement to bear on a problem.

## Slide 11

I think that our work in charter schools is a great example of that. Not only do we help plan and build and finance them but we also conduct needs assessments, which we're talking about today, to determine where they're most needed. We work with school districts, charter operators, stakeholders to improve the charter landscape as well.

## Slide 12

With respect to our research, our aim is to provide hard data and analysis that contribute to more informed public policy decisions and resource allocation.

## Slide 13

Our fundamental belief is that scarce resources for not just education but also health, human, and social services should be targeted to where the highest need is. That, in fact, is why we do this research.

The methodology we're going to discuss today got started with IFF's work in the 1990s, helping both Chicago and the state of Illinois maximize investments in child care as part of their strategy to implement welfare reform. At the time, we conducted needs assessments of the city and state and were comparing where children in working families were located versus where there were available child care slots.

In 1996, then, when Illinois's charter law passed and we began a long partnership with the Chicago Public Schools, assisting them with charter applications and school financing, we wanted to begin (and this is something Greg knows very well. He was there at CPS at the time) to become more strategic about their placement, including because the legislature passed a cap that really made it important to have strategic charter placement, and thus the school methodology was born and the first Chicago study was born. I'm not going to talk about that study that much. I'm going to talk about a follow-up one, and in that follow-up study in Chicago four years later, that's really when we started to see that it really had a much broader application, that the research was really useful to a much broader group of stakeholders, which is how we view the research today.

## Slide 14

So let's jump right into the methodology. At its simplest, the IFF methodology is of supply and demand analysis. For demand, we used two measures:

- The number of students in public schools, or what we call *current enrollment*

- And the number of school-age children, or what we call *potential enrollment*

Potential enrollment is straightforward. It's a census estimate. The current enrollment is a bit more fluid, depending on the public school system that we're studying. We ask ourselves, do we include magnets or other specialty schools? To what degree are they open to all students? Do we include the charters in part of the core analysis, or do we treat them separately? What percentage of students do they serve in the district? How do you treat children that leave the district for a suburban school? But, I guess, most importantly, how do we accurately reflect a particular public system that we're studying, and, also very importantly, what's the data that's available to us, and is it in a form that we can use it to go with as deep as we want?

## Slide 15

For supply, we have two data elements:

- One is the physical capacity of the school buildings as is expressed by the number of seats available to serve students.
- Second is a snapshot of the schools' academic performance as measured by how they're doing versus the state standard on standardized tests.

Of course, in some of our cities (and two of the three we're going to discuss today), too few schools actually meet those standards, so we need to establish and consider additional tiers of performance as a way to get enough differentiation and be able to do the analysis.

For instance, in Milwaukee we considered schools not just at the state standard but those that came between 75% and 99% of the state standard, and we've adopted other tiers like that in other cities. Then we take the number of schools that meet the standard and we sum them, and that is our essential supply that we use for the analysis. We look at supply throughout the entire city.

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We look at supply at the neighborhood level. The entire city is pretty straightforward. We pretty much count all schools in and total the number of seats.

Neighborhood capacity is a little bit trickier. We need to ask questions about which schools are really available at the neighborhood level to the students who live in those areas, and we have to establish a geographic unit to study. So, as a general rule, we do not consider selective schools at this stage. We pull them out when we calculate the number of seats at the neighborhood level. But, really, it also requires us to take an individual look because there are so many different types of schools in the different school systems that we've looked at. And for geography, in Chicago we used community areas, which are a very good proxy for neighborhood, but we've used zip codes in the two other cities we're going to talk about today, and in Denver we used high school attendance areas, which worked very well for us there. We then rank the areas according to current enrollment.

I'm sorry, I skipped a point here. We then determine the service level and gap—these are the two core measures we look at. That is the percentage of students that have access to a performing seat in a neighborhood and then the actual number of students that don't have access to a performing seat, and we calculate those both for the current enrollment, the actual number of students, and the potential enrollment of school-age population that resides in that area.

## Slide 17

We then rank all the geographic areas. Fundamentally, that is the current and potential enrollment service level and gap as I mentioned, but we can add other factors at this point, too. In the Chicago analysis, for instance, we looked at the space utilization, which allowed us to look and add to our analysis where there are areas where there was overpopulation and performing schools but not enough schools to actually serve the physical number of students who lived in the area.

We calculate a weighted average. We determine our overall ranking, we put the highest rank areas up on the map (and we're going to show some examples in just a minute), and then we develop detailed profiles of the high-

need areas and, in some cases, of the entire city if the geographic area isn't that big.

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Let me just go ahead and show you one of those examples. This is a zip code profile we did for the St. Louis study. We have some bullet points. I know the slide is hard to read, but it's mostly for an example that highlights some of particulars of need in that district. The first bar there is the student-age population that resides in that zip code and whether they're attending public schools, private schools, or going to the suburbs. The pie charts are the current students enrolled in the area and what type of school they're attending—both the elementary kids on the left and then the pie chart on the right, the high school kids. Then we have a map with all the schools and some of the surrounding schools by type and, finally, a table that presents each school, its grade levels, how many students are enrolled, its physical capacity, its most recent academic performance, or the academic performance for the study year, and some other information as well.

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So with that, let's just jump into our examples. Chicago was a study that we completed in May 2009. The state standard there is 62.5% of students meeting or exceeding on the state standardized test. We looked at elementary schools and high schools separately, and we only looked at those elementary schools with attendance areas. So that's about 275,000 students, 380,000 school-age children. We did look at high schools. I'm going to talk about that in a minute, but given their performance status, the nonselective, there was not much analysis that could be there, and we looked at the city both citywide and by its 77 community areas. We also looked at charters, but separately, and looked at the capacity that they had been adding citywide and to these areas between the two studies, which were four years apart.

## Slide 20

Our basic findings were that the elementary schools added 46,000 performing seats in between the two studies, totaling about 218,000 performing seats. That was enough to serve just under 80% of current students—about 57.5% of all elementary-age children in the city. In our top 25 communities, however, we needed about—there was room for about—35,000 performing seats, and

there were only enough seats currently to serve just 30% of the students there. The need in those 25 areas was just about 80,000 seats. This is just for elementary schools now. No neighborhood high schools met the state standards, so we did not do a ranking and a map on them. In looking at the charters, we saw that almost 14,000 performing seats had been added by charters during that time period as well, and many of them. I think it was about 70% of them. in or near our top 25 areas. So, in total, over that four-year period, about 60,000 performing slots had been added since we did our first study.

I should also note a couple of things. One, the standard actually increased during this period, almost doubled, but at the same time, the test was changed, and some argue it was changed for the easier. So those are some relevant data points as well.

## Slide 21

Here's one of the maps we produced for Chicago, 80,000 seats needed. If you look at the purple areas on the south side, those eight areas all have zero percent service level. That is where the highest relative need in the city is. I believe five of those areas also had zero percent service level when we did our first study four years prior. The red areas on the west side are the highest absolute need in the city. If you look at the two west-most areas there, there are two community areas that are Austin and Humboldt Park that have a need for almost combined 20,000 slots. in those four neighborhoods together, about 25,000 performing slots. Then down on the southwest side you'll see the areas in yellow. These are areas where actually the schools are performing, but they are so overcrowded there that because we factored space into this analysis, they showed up in our top 25 as well.

## Slide 22

St. Louis we completed in 2009. The standard there is, as you see, 51% of students achieving on the map their state test in communication arts and 45% in math. We also considered what we call the Tier I standard, which is going all the way to 50% of that standard, and that was because of the low performance levels there. We looked at 91 St. Louis public schools and 14 charters as one complete system, combined, about 34,000 students in both of those public school systems. About 7,500 kids who travel as part of a transfer program there to the suburbs, we actually pulled those out of our analysis and



didn't look at them, and overall 60,000 school-age children, and we looked at the city by its 16 zip codes.

### **Slide 23**

St. Louis had a need for 26,000 performing seats. Only four of the 105 combined public and charter schools we looked at met the state standard, and that was enough just to serve only 3.5 percent of students. When you factor in another 15 schools, including one charter and eight magnets that made at least 50% of the standard, that brought the numbers up to 19 schools that had sufficient capacity to serve about 23% of students. No high schools again that perform and no middle schools as well (they have middle schools in St. Louis) that met even our Tier I standards. In St. Louis, just over 50% of the need was in the top six areas that we identified, and here's the map for St. Louis.

### **Slide 24**

You can see the top four areas there that don't have a single performing or Tier I school and then the southeast and southern area there, which do have some performing schools, as you can see, but also have a dense population of children and made our high-need area.

### **Slide 25**

Finally, Milwaukee- we just completed Milwaukee this past May. The state standard there is 75% or better proficient in reading and 58% in math. We also considered schools that made 75% of that standard, what we call Tier II. We looked at all the MPS schools, we looked at all the charter schools- they have independent schools as well as schools within MPS, and we treated them all together. They're a relatively small part of the system there, 88,000 students, 7,000 in MPS, 7,000 that go to the suburbs. Milwaukee was also unique because it was very important there to look at the children that accepted vouchers, which is a big part of the system there- 20,000 kids that take vouchers in the MPS system and, overall, 125,000 school-age children.

## Slide 26

So in Milwaukee we found 56,000 to 78,000 performing seats were needed. The reason for that range is that we did not have data on a large portion of the private schools and the voucher program—about 23,000, and that's why we have that range. Only 23 of the schools, public and charter, met state standards, or enough to serve about 11% of students. Another 50 public and charters met 75% of the standard, and that brought the capacity up to serve 42.3% of the students. No selective high schools met state standards again, though there are two very good selective schools that serve, I think, just over 10% of the high school population in Milwaukee, and more than 4,000 performing slots, Tier I and Tier II slots I should say, that were contributed by those private schools and the voucher program that did report data to our analysis. If you factor in the public system, the charters and the private schools, and the voucher capacity we were able to determine, and you compare that against the entire school-age population, then the system has enough Tier I and Tier II seats to serve about a third of all Milwaukee children.

## Slide 27

Here you see the map for Milwaukee, and you see the five areas in blue up top. That's where the bulk of the need was, and more than 50% of the city's need was in all the north-side neighborhoods. But, nonetheless, a good portion of need was also on the south side. Again, this is a pattern we've seen in a couple of cities. This is where you have a growing population, a growing Latino population, where you have actually a lot of Tier I and Tier II schools and where a lot of new charters and choice schools have opened, but, nonetheless, because of the density of children there, still a big need for performing slots. Each one of those neighborhoods requires about 7,000 more performing slots each.

## Slide 28

Let me just make some observations and conclusions before I wind up here. You've seen these patterns in the maps. We find time and time again the concentration of need in just a handful of areas. We've seen it all our cities, more than 100%, actually, in Chicago because there's overcapacity in other parts of the city. Better than half and better than two-thirds in St. Louis and Milwaukee, respectively. Areas with low service levels, those with zero to 10% service level, we've always thought are the good candidates for charter

schools and other types of local reform models. These are areas where one school can make a huge difference because there are no options there now, and it's a pattern that repeated itself in all the cities we studied.

However, when we look at those areas that have very high service gaps, it's obvious that broader strategies are required. When you need to get 10, 20,000 slots in an area, I think it goes beyond the capacity of what you could perhaps do with new schools, new charter schools, or other reform models.

## Slide 29

High schools are not performing universally in all the cities that we looked at. I actually think this is different in Denver, which I'm not talking about today, but certainly here in the Midwest we see this over and over. No nonselective schools that meet state standards, very few that even meet the additional tiers of standards that we establish. While this isn't a focus of what we look at, when we look at the enrollment numbers and the population in doing this analysis, we notice just huge numbers of high school students dropping out between 9th and 10th grade, and it's something that's very apparent to us when we do this analysis.

## Slide 30

Some other things we find: excess capacity in better schools. St. Louis, there were 1,300 seats in the Tier I schools, and we actually had a very productive dialogue with the superintendent there, and they started to market some neighborhood schools to capacity to some of the area students, and I think they're having success doing that. We find vacant buildings, of course, in these areas, very important to charter schools and charter operators. In Milwaukee, we found 14 in the top eight areas, and we think they provide a great incentive for the school there to work to both replicate and attract new charter schools. And also student travel. We don't always have all the data we want to look at this, but clearly, in Milwaukee we saw in the six neediest areas on the north side, students that are 60% more likely to travel to go to a Tier I or Tier II school as opposed to students in the rest of the city. Also in St. Louis, a clear pattern of people traveling to go to some of the magnet schools there even though they didn't perform any better than the local neighborhood school. Again, Denver, which I'm not getting into today, we saw a real relationship between choice and performance, where people can choose out

of their area and people who are choosing are choosing higher performing schools, which is very encouraging.

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But I think what's most important about the methodology, though, is that it's specific to each city, and it's useful to a range of stakeholders. In Chicago, the Office of New Schools has used it to help identify and prioritize where new schools should go. They've used our studies and our maps to award extra points to charter school applications. In St. Louis, the mayor is running an RFP process to help recruit new schools, and he's doing a similar thing. In Milwaukee, this is actually 20,000 seats by 2020, not 2010, my apologies. But a group of reform-oriented stakeholders are using the data there to really plot where those slots should go. Then again, for charters, for CMOs and EMOs, and for districts for their school improvement strategies, we think this data is very important, as well as for authorizers and parents and civic groups and others who are interested in school performance.

## Slide 32

Here's just one quick example. I'm going to give you two quick ones and then wind up to show you how we use the data. This is one of the high-need areas in Milwaukee. It actually overlaps with the school board superintendent and city council president districts, and we used this to speak with them. But it's an area that has only a 15% service level, and you ask yourself how can you ever bring it up to where it needs to be? But, as you can see here with the numbers on the left-hand side, Clarke Street, which is at the east part of that map, was a once-performing neighborhood school that underwent some changes and has dropped down a tier in performance, which has capacity and which could be improved. Milwaukee College Prep, which is the yellow dot on that map, is a great performing charter school in Milwaukee that is considering an expansion and in fact is considering an expansion in this area with a school building in this area, which would add 450 slots. And then there are two separate charters that two authorizers approved, both of which are considering going into this high-need area, in part, I think, because of our analysis. If all those things were to come to pass, you would add many more performing slots to that area and bring it up to what is average for the rest of Milwaukee, about a 43% service level.

### Slide 33

This is another example in St. Louis, and here you see Froebel- the blue triangle in the middle. This is a school that the district chose as a pilot for turnaround, and then you see there the two green dots, Concept and KIPP, the new charters that were approved and also put near the area here who could service children in this high-need area. Down at the bottom, Scruggs is a neighborhood school that was actually closed just before our study was released, and we thought that was ill advised and, in part, it was closed for facility reasons. But on the performing side, it was one of the better performers and could have added additional capacity to this zip code.

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So I just want to leave you with one last thought. This is my concluding slide. That is, simplifying all the methodology and the numbers, is that there's a model of school reform or a different way to think about school reform that instead of top down is bottom up, and the editorial board in St. Louis- this is a quote from them when we completed our study there- and I think they really put it in very simple terms about how school reform, data-driven, neighborhood-focused reform can put one good school at a time where they're needed most can accomplish a lot.

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Thank you very much. That's my presentation. Peggie, these are key contacts at IFF for anybody who's interested and also the address where you can download our reports.

### Slide 36

KELLY: Thank you, Jose. We have just a few questions for you before we move on to Greg. I just want to remind everyone that if you have a question, please go ahead and you can type it in the lower left hand in the chat box and we'll try to pass them on to our presenters. The first question for you, Jose, is, %For other regions that don't have the type of study done by an organization like IFF, what do you recommend they use as a proxy for understanding the needs of their region?+

JOSE: We've always focused on performance, and, actually, I know Greg is going to speak in a minute, but he recently made a suggestion to us, which I thought was very interesting and that was: there's a part of our analysis that's very local and focused on the buildings and the type of school and where they draw from: and that is harder and that takes more time, and that data is not always easy to get. But if you were just to plot performance and look at it broadly across the state, I think that's useful information, and not that performance is the be-all, end-all indicator, but it's very hard data that allows you to prioritize, I think.

KELLY: And then just one more: Can you summarize just a couple of the key advantages and challenges with using the data that you presented in your reports?+So just a very quick, high-level synopsis of everything you've presented.

JOSE: I think the obvious advantage comes out in the maps. It's the prioritization that it gives you. I mentioned briefly how you could use this with School Improvement Grants, and when we were presenting this data to Milwaukee Public Schools, I remember one of the staff people there commenting that they were actually investing in many schools outside of those high-need areas. Now, for us, that suggests if you have capacity in those other areas, perhaps those are schools that you could close, and those kids could go to those areas and the resources really focused on the high-need areas. So this prioritization, I think, is the fundamental strength. And I guess the disadvantage is, by definition, this is a snapshot. It looks at one year of data, and it gives you a very rich community-level look that most people usually don't take of performance in schools, but in the end it is a snapshot.

KELLY: Okay, then we did have a quick question. One of the audience wants to know if IFF services for-profit CMOs.

JOSE: We currently work just with nonprofits. So we directly lend and take on as real estate clients just nonprofits.

KELLY: Great, thanks. We're going to hold the rest of the questions until the end here, and then Greg, if you want to go ahead and take over and give us some of your thoughts and reflections.

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GREG: Sure, I'd be happy to. I am not taking advantage of the webinar technology to provide you with lots of slides because I really just have four points I'd like to share with people that I think capture or reiterate some of the things Jose has said. **The first point I'll make is that this methodology, I think, provides a new lens through which we, or another lens through which we, are able to view and understand educational quality and access in communities.** It sometimes makes me think of the shift that happened when NCLB was passed and we really for the first time as a nation started talking about disaggregated data and looking at results- no longer just talking about average test scores for entire cities or for a whole school, but disaggregating those. This is really another form of disaggregation, but by geography, and it provides a lens through which you can understand how educational opportunities are distributed across a city. I think that's new for a lot of people, particularly for parents who might be opening up the newspaper one morning to read about this new story. They get to see for the first time how school quality is distributed across the city- what does it look like in my neighborhood and my zip code? It's not the same everywhere. That's new information for people, and I think it's a helpful additional lens to add to our understanding of education.

It also, by doing that, starts to inform and maybe modify some previous assumptions, so Jose mentioned that IFF did the study in Denver. They worked with NACSA on that. But one of the things that happened in Denver is that the study revealed that a lot of the assumptions that folks had in their minds needed to be modified in that within the school district, the overwhelming emphasis had been around high schools and the belief had been high schools are where the shortcomings are, high schools are where the focus has to be, and the study did not disprove that, but it did add the fact that there were tens of thousands of elementary school seats that were needed in Denver as well, and that had been overlooked through the prior way of viewing public education in Denver. So my first point is that this type of analysis provides an additional lens through which to understand how educational quality and access is distributed.

Then what it does, and Jose touched on some of this, is begin to inform different strategies. **So educational quality is distributed differently across the city, and that suggests there might need to be different strategies in different places or different strategies of resource**

**allocation.** So the first thing is that it obviously points to is community and community engagement and the power of going into communities and sharing with them community organizations, school PTAs, sharing with people, particularly those communities that have very low number of quality seats. This is what access to educational quality looks like here and how it's different than in the rest of the city, and it provides an opportunity to engage community organizations and parents around that information and to start to talk about strategies for improvement. So it's no longer just an abstract national or state statistic- we're talking about the number of seats that are needed here in your community.

So it very much is a strategy for community engagement, but then there are other types of strategies alluded to- facilities, particularly for school districts that are authorizers of charter schools, you can start if you have limited resources as everybody does these days, you can develop a strategy around trying to steer your facility resources, facility dollars, other types of facility solutions, try to steer those limited resources to the communities that have the greatest need. It also can provide even a wider lens about other types of improvement strategies- early childhood programs, afterschool programs, recreational programs in parks, health programs- things that extend beyond the traditional school system could also be brought into play in these communities as an overall way of improving the educational outcomes.

That relates then to my third point. One of the things that I think is interesting when we've done this, as Jose said, I was at Chicago Public Schools the first time we did this with IFF in Chicago, and it was largely prompted by IFF's work with city government in early childhood issues. We also then, now with NACSA, went and did this in St. Louis at the prompting of the mayor. One of the things I've noticed through this is that mayors have a different perspective on education than school districts. School districts tend to be interested very specifically on their schools and the students in their schools- that's the focus. Mayors tend to be interested in the overall health of their city, and they're interested in what is the overall quality of educational options available in my city. It doesn't matter as much to them if the school district is providing a quality option or a charter school is or a Catholic school is or if kids are participating in an interdistrict choice option and going to the suburbs. **This is a tool that gives you a global picture of what's happening in educational quality, goes beyond just the traditional school district, and it starts to inform other potential policy decisions.** As Jose mentioned, St. Louis has or had, I'm not sure if it still exists, an interdistrict choice option, and one of



the challenges for IFF in trying to produce this study was to figure out how to map those kids that were living in certain neighborhoods but going to public schools outside of the city and vice versa. It provides information that is much more holistic around the needs of a city and suggests or informs policy decisions around the effectiveness of certain policies.

**Then the final point I'll make is then it can become a tool for measuring and monitoring change and progress over time.** As Jose said, this is a snapshot, but you can take that snapshot repeatedly, once every five years- how have things changed? So it provides a tool for you to see what is happening over time.

Those are four of the ways that this methodology can be useful. On one level, it's very simple and if I oversimplify it, it's to say you're simply looking at a place and counting how many kids live there and how many seats are there in good schools where they live. On one level, it's a very simple subtraction problem, number of kids, number of quality seats. When you actually start to do it and wade into zip codes and community boundaries and school attendance boundaries, it can become much more complicated. Jose mentioned we were talking about doing this potentially at a state level, and Jose said if you want to look at a state level, do it by school district, you don't even have to look at a building. You know how many kids are in every school district, you know how many quality seats there are in that school district- just do the math, subtract one from the other, or do it by county and subtract one from the other. That would give you a statewide contour. But it's not the only tool, but it's another tool, another lens, through which you can look at what is happening on the quality of educational opportunities that are available in our cities and states and how those are distributed, and we have found it- NACSA has in working with the IFF in some of the cities that Jose has mentioned- to be an interesting and valuable part of the educational reform discussions in those cities.

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KELLY: Great, thanks. We have a couple questions for you as well. The first one is, do you think authorizers should require school developers to specify communities within the city as part of their charter application before being approved?+

GREG: I would prefer that charter school applicants actually specify a facility before being approved, quite honestly. I realize that's not possible everywhere, but facilities are an important and expensive part of any charter school, and it's hard to get an accurate understanding of a financial picture of a charter school if you don't know what your building is going to be. So our recommendation is to actually know or have identified a facility and understand its costs. After that, if that's not possible, understanding where you'll be, I think, would be desirable. Certainly it would be preferable to having no idea the community you would want to serve. That certainly would be beneficial to applicants as they plan their school to have a vision of where they will be, who they will be serving, how many kids. The educational needs of that community is an important thing to have an understanding of.

KELLY: Then a similar question to what was asked to Jose: %If you think about the methodology that IFF used, for those regions who don't have something or someone who can do something this comprehensive, what do you feel would be the best proxy for determining where to place charter schools?+

GREG: Well, I'd answer that in two parts, that last phrase tacked on to that, %determining where to place charter schools.+To answer that without that phrase, I'd say there are a number of ways to try to approach this math. It's really a mathematical technique. As I mentioned a moment ago, there are different ways to count how many kids live here, how many quality seats do they have access to. So a lot of folks could just do this yourself, you don't need to hire necessarily someone from somewhere else. You could get a rough understanding of this by going through, if you're a school district with 20 schools, go through, you know how many kids live in places, how many quality seats there are. Even if you don't know the population of a community, you might know how many kids are enrolled in a school, how many quality seats are there. do that math. There are a number of ways, and one of the things that Jose kind of alluded to was that each place they've done this, they've had to adopt slightly different techniques based on what data is available in that city. So, folks, wherever you do this, you'll run into that same challenge. What kind of data do I have available and now how can I use it to do this math?

Then the phrase you also said, %in determining where to locate charter schools,+I think this is an informative tool, it's a good lens to better understand an education landscape. A district might use it to steer resources in certain directions, but I would never suggest that a charter school should

not be allowed to open outside of one of these communities. It's not a matter of only in these communities and not in those communities- far from it. I think an authorizer should be open to and evaluate a charter school application on its merits regardless of its geographic location. It's just that this lens might give you, if you have limited resources, a strategy on how to direct those limited resources, facilities, community resources, to encourage new schools in particular communities.

KELLY: Great. This is somewhat of a follow-up for both Greg and Jose. Once you've identified the need is it (a), placing a charter school there and kind of like a %build it and they will come+scenario, or what else really needs to be thought of and done in tandem for the charter school to be as successful as it can be?

GREG: Well, a lot of places, if you build a charter school people will come, but that doesn't necessarily mean it's a quality charter school. So maybe that's a way of saying, is to say that next, that this is a tool which identifies need, it can identify where to try to locate schools, but in no way does that mean that the schools you're locating are automatically going to be good. So you still need to, as an authorizer you still need to, evaluate proposals with high standards; as an applicant starting schools, you still really need to have a strong educational plan, operational plan, financial plan, in order to be good. It doesn't do anybody good to drop new schools into these underserved communities and have those new schools continue to be weak schools. That's not what these communities need. They need some good schools. So this is really the starting point to identify where to put them, but it doesn't guarantee that the new schools that are open are going to be good. You still need to do that hard work in all those other areas to make that happen.

KELLY: Jose, any comments from you?

JOSE: I would agree with Greg on all that. I would say that we've clearly seen, initially doing this in Chicago, we had some stronger charters, and the typical charter there outperforms the neighborhood school, but doing the St. Louis study, where there was only one charter that made our Tier I category, and now in Kansas City, which we're about to complete, you see patterns of charters that aren't doing that well, and we certainly have highlighted in our study that the point isn't just to put a charter where there's need, but to put a good charter, and if it isn't performing once you look at it all through the performance lens, that community needs a performing option, and that is something that became a factor in the two Missouri studies that we were doing.

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KELLY: We have a couple minutes left in the webinar, and we have quite a few people in our participant list here who are dealing with these issues and are working through on their own, and I just want to give the opportunity for anyone out in our audience there to share some of the challenges or advantages that you've seen or had using either an IFF report or something similar to it. Is there anyone that would like to share? Okay, I'm not going to force anyone. I just wanted to make sure we had an opportunity for sharing.

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Then I'm actually going to throw one more question at both Jose and Greg, this last slide, Guiding Questions, this top question. If you could both just comment on what would be the top one or two strategies that you would recommend either authorizers or some of our state-level charter school program grantees could use to encourage the development of high-quality charter schools?

GREG: I'll go first and take the obvious answer away from Jose, which is facilities. It is the most powerful tool that is available in this type of work. The ability when you have limited resources, facilities in general are very expensive, new construction is expensive, rehab is expensive, a public body, be it a school district, an authorizer, a state ED department, whoever, you have limited resources for facilities, and the facility in these communities is the most powerful thing to provide new educational opportunities in those communities.

If I can just share an anecdote actually related to when we did this in Chicago, in many cities is a lot of the communities that have neighborhoods within cities that have some of the lowest performing schools also have a lot of empty school buildings, and people have moved out of those neighborhoods over the years.

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And there tends to be a habit by school districts to start to ignore or to ignore the facility needs in the new school opportunities in those neighborhoods because there's a perception that people are leaving those neighborhoods. We don't need anything new there because people are leaving. and the

reality is those are often the neighborhoods where you exactly do need something new, or you have the opportunity to go back into a community and reopen a shuttered school building or to close an existing school and replace it with a new school, exactly in those communities. So school districts are often viewing those neighborhoods as places of declining enrollment, declining need, places where they're not investing facility dollars, and the reality is these tend to be the communities exactly where you should be looking to put some facility dollars in order to create new schools in those places.

JOSE: This is the part where I talk about authorizing. Let me make a comment about facilities, just to kind of put a finer point on what Greg said. First of all, to us having spent time in all these cities and this study is a process that takes several months, these all become very local. It was actually a unique opportunity for me to try to put three of them into context like this very quickly for this broad group because they all take on their own characteristics. But one of the things with respect to facilities that Greg was saying, in Milwaukee, where we just finished the study, the city actually owns these facilities, again, 14 of which we calculate are in the high-need areas, and it has an unrestricted authorizing ability and it has authorized some schools and recently a very good school, but one of the things that we tried to suggest was to put all those things together.

What we saw in Milwaukee was an opportunity for the city council, through its authorizing process, the city's actual ownership and control of those buildings, and with the high need identified in this report, and with stakeholders organizing around these communities, a huge opportunity there to draw some great operators, to expand a couple of schools that do want to expand in Milwaukee and recruit some real top charter talent to Milwaukee, which is starting to happen, I think, and comparing that, for instance, with St. Louis, where the mayor is working very, very hard to recruit new authorizers and has an RFP process, and it's a great thing, but, at the same time, without the incentive of owning that building, it's much more limited, and here in St. Louis there's the political will and leadership and drive to try to do that but not the ability to charter and to have the buildings to incentivize operators, and in Milwaukee a little bit less focus, though that's improving on the leadership side, but again the buildings and the ability to authorize and do it, and if we could kind of pick and choose from these cities, boy wouldn't that be good.

KELLY: Thank you, Jose and Greg, thank you very much for taking the time to share both your information and your thoughts with us. This was extremely informational and very to the point. Just for all of you in the audience, this will be archived on our website at the link you see here, and we will have another webinar coming up in September, which we will be sending an invitation out in the next couple of weeks, so please look for that. Then thank you all for joining us today. We are going to ask you to do a short survey here at the end just to help inform our webinars going forward. So, please, if you have just a few minutes here, if you could take some time to fill it out, it would be greatly appreciated. Thank you.